minimum capital adequacy norms set by Reserve Bank of India and to enable the banks to expand their operations, Government have decided to accept the recommendations of the Narasimham Committee on banking sector reforms for reducing the requirement of minimum share holding by Government in nationalised banks to 33 per cent without changing the public sector character of banks. There is no proposal under consideration of the Government for Government's holding one 'golden share' with veto power.

Fiscal Responsibility Act

3292. SHRI P. PRABHAKAR REDDY: Willi the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a Fiscal Responsibility Act is proposed to be enacted in the current session of Parliament;

(b) if so, the details thereof and the purpose thereof and if not, the reasons therefor; and

(c) what further steps are proposed to be taken to restore the credibility of the annual budget exercise and revive the fiscal discipline?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) The Government has set up a Committee under the Chairmanship of Secretary (Economic Affairs) to go into various aspects of the matter concerning enactment of a 'Fiscal Responsibility Act' and recommend a draft legislation. The exercise is intended for medium-term management of the fiscal deficit with the support of an appropriate institutional mechanism embodied in a Fiscal Responsibility Act. The Finance Minister in the Budget Speech 2000-01 has indicated that the Government wishes to bring the necessary legislative proposals to the Parliament during the course of the year.

Economic Terrorism

3293. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether economic terrorism like drug smuggging, gold smuggling and inflow of counter-feit currency has increased considerably on account of ISI activities for the last three months;

(b) if so, the details thereof and Government's reaction thereto;

(c) the action taken to check smuggling of the above items;

(d) whether Pakistan link has been established; and

(e) if so, the action taken to take up the matter with Pakistan Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V. DHANANJAYA KUMAR): (a) and (b) A major case, resulting in seizure of counter-feit currency amounting to Rs. 19,85,200/-, was detected at Attari Railway Land Customs Station in February 2000. There has been a slight increase in the quantity /value of gold seized by the Customs Department during the last 3 months. However, as far as drug seizures are concerned, no such increase has been noticed during the last 3 months. As per available reports, Pak ISI is presisting with its efforts to forment terrorism in the country by smuggling in weapons, explosives, fake currency and drugs. Instances of recovery of fake Indian Currency, and drug seizures, from various parts of the country, expecially along the areas bordering Pakistan, also indicate the efforts of Pak ISI to distablise the economy. Periodic coordination meetings are being held with State Governments for sharing the inputs from various quarters as well as for devising stretagies to counter such activities.

(c) Government has taken several steps, which include sensitising and gearing up the intelligence machinery, sharing of intelligence and coordinated action by the enforcement agencies and maintaining utmost vigil in order to detect and prevent smuggling of contraband goods.

(d) Seizures of drugs, and recovery of fake Indian currency, have been made along the areas bordering Pakistan. In some cases, markings of Pakistan origin have also been found on the pockets of drugs seized.

(e) These matters are discussed with the Pakistani authorities during bilateral meetings between the Indian and Pakistani authorities.

Holding of Shares of ICICI by FIs

3294. SHRI VAYALAR RAVI: Will the MINISTER OF FINANCE be pleased to state:

(a) whether any public sector financial institutions are holding shares in ICICI; and